THE MINISTER OF STATE IN THE DEPARTMENT OF COMMERCE, MINISTRY OF COMMERCE AND INDUSTRY (SHRI JAIRAM RAMESH): (a) Yes, Sir. There was a deceleration in exports of labour intensive products particularly textiles, leather & manufactures, marine products, carpets, sports goods and handicrafts during 2007-08 as compared to the previous year.

(b) In order to boost the exports of labour intensive sector many initiatives were taken during 2007-08. These, *inter-alia*, include provision of subvention of 2 per cent in the rate of interest on pre and post shipment credit, enhancement of DEPB rates and Duty Drawback rates, reduction of ECGC premia by 10 per cent etc. In addition, in the Annual supplement to Foreign Trade Policy 2004-09 announced on 11th April 2008, a number of additional measures were announced. These include measures for promoting export of sports goods & toys, fresh fruits, vegetables & floriculture and extension of interest relief by one more year.

(c) Government has been taking initiatives from time to time to explore new markets for exports, including for labour intensive products, through various region specific integrated programmes like "Focus-LAC (Latin American and Caribbean Countries)", "Focus-AFRICA", "Focus-CIS (Commonwealth of Independent States)", Regional Free Trade Agreement and Preferential Trade Agreement under SAFTA (South Asian Free Trade Area) for SAARC (South Asian Association for Regional Co-operation) countries. Setting up of joint forum on trade and investment for increasing bilateral trade, joint commissions on trade and economic cooperation are also taken up in this regard.

Reduction in Excise Duty on cement

480. SHRI M.V. MYSURA REDDY: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that the average excise duty on cement is Rs. 550 at present and Government is collecting from consumers Rs. 30 in the form of Excise Duty per bag of 50 kg;

(b) whether it is also a fact that if Excise Duty, as proposed by Cement Manufacturers Association, is reduced, there will be Rs. 18-20 reduction per bag;

(c) whether it is also a fact that the Association agreed to pass on the benefit to consumers if excise duty is reduced by the Government; and

(d) if so, the steps taken by Government in this regard?

THE MINISTER OF STATE IN THE DEPARTMENT OF INDUSTRIAL POLICY AND PROMOTION, MINISTRY OF COMMERCE AND INDUSTRY (SHRI ASHWANI KUMAR): (a) The average excise duty on cement is approximately Rs. 570 per tonne, *i.e.*, Rs. 28.50 per bag.

(b) to (d) The Cement Manufacturers' Association (CMA) in its pre budget memorandum 2008-09 requested for abatement of 55% on maximum retail price of cement. This would have helped in the reduction of the price of cement by approximately Rs. 15 per bag. The Department of Revenue, Ministry of Finance considered the representation of CMA and did not agree for the same.